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ANNUAL AUDITED REPORT  
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Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING JANUARY 1, 2012 AND ENDING DECEMBER 31, 2012

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

OFFICIAL USE ONLY

CAMBRIDGE INTERNATIONAL PARTNERS, INC.

FIRM ID. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P. O. Box No.)

780 Third Ave

New York,

NY

10017

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

JOHN H. TEMPLE, PRESIDENT

212-826-8292

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

LERNER & SIPKIN, CPAs LLP

132 Nassau Street, Suite 1023

New York

NY

10038

X

Certified Public Accountant

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number

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## OATH OR AFFIRMATION

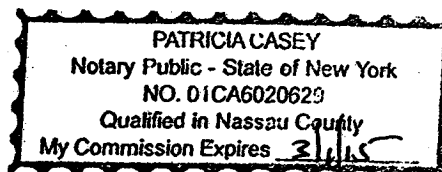
I, **JOHN H. TEMPLE**, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statement and supporting schedules pertaining to the firm of **CAMBRIDGE INTERNATIONAL PARTNERS, INC. as of Dec 31, 2012**, are true and correct.

I further swear (or affirm) that neither the company nor any partner, proprietor, member, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

X John Temple  
Signature  
President  
Title

X Patricia Casey  
Notary Public



This report\*\* contains (check all applicable boxes):

- (x) (a) Facing page.
- (x) (b) Statement of Financial Condition.
- (x) (c) Statement of Operations.
- (x) (d) Statement of Cash Flows.
- (x) (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (x) (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (x) (g) Computation of Net Capital.
- ( ) (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ( ) (i) Information Relating to the Possession or Control requirements under rule 15c3-3.
- ( ) (j) A Reconciliation, including appropriate explanation, of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the reserve requirements Under Exhibit A of Rule 15c3-3.
- ( ) (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (x) (l) An Oath or Affirmation.
- (x) (m) A copy of the SIPC Supplemental Report.
- ( ) (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.
- (x) (o) Independent Auditors' Report.

\*\* For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

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Washington DC  
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**CAMBRIDGE INTERNATIONAL PARTNERS, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
December 31, 2012

**CAMBRIDGE INTERNATIONAL PARTNERS, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2012**

**ASSETS**

Cash and cash equivalents	\$ 1,349,763
Accounts receivable (net of reserve for bad debt)	56,981
Fixed assets, net of accumulated depreciation and amortization of \$47,555 (Note 2(d))	20,717
Prepaid taxes	11,082
Other assets	18,459
Total assets	<u>\$ 1,457,002</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**Liabilities:**

Accounts payable and accrued expenses	\$ 247,480
Total liabilities	<u>247,480</u>

**Commitments and Contingencies (Note 5)**

**Stockholders' equity (Note 6)**

Common stock, \$0.01 par value, 10,000 shares authorized, 8,305 shares issued and 3,904 shares outstanding.	83
Additional paid-in capital	126,895
Retained earnings	1,298,107
Treasury Stock	<u>(215,563)</u>
Total stockholders' equity	<u>1,209,522</u>
Total liabilities and stockholders' equity	<u>\$ 1,457,002</u>

*The accompanying notes are an integral part of this statement.*

**CAMBRIDGE INTERNATIONAL PARTNERS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**Note 1 -**

**Nature of Business**

Cambridge International Partners, Inc. (The "Company") a Delaware corporation is a broker/dealer registered with the Securities and Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority ("FINRA"). The Company earns consulting and advisory fees from providing investment banking services, providing merger and acquisition, financial advisory and general corporate consulting services to companies.

The Company operates under the provisions of Paragraph (k)(2)(i) of Rule 15c3-3 of the SEC and, accordingly, is exempt from the remaining provisions of that rule.

**Note 2 -**

**Summary of Significant Accounting Policies**

*a) Revenue Recognition*

The Company recognizes revenue from success fees upon completion of the transactions and advisory fees, over the life of the underlying agreement, at the time work is performed and services are rendered.

*b) Income Taxes*

The Company has elected to be treated as an "S" Corporation under the provisions of the Internal Revenue Code and New York State tax regulations. Under the provisions, the Company does not pay federal or state corporate income taxes on its taxable income. Instead, the stockholder is liable for individual income taxes on his respective share of the Company's taxable income. The Company continues to pay New York City general corporation taxes.

*c) Cash and Cash Equivalents*

The Company considers demand deposited money market funds to be cash equivalents. The Company maintains cash in bank accounts which, at times, may exceed federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

*d) Equipment*

Equipment is carried at cost and is depreciated on a straight line basis over its useful life of 5-7 years.

*e) Use of Estimates*

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

*f) Subsequent Events*

The Company has evaluated events and transactions that occurred between December 31, 2012 and February 15, 2013, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

**CAMBRIDGE INTERNATIONAL PARTNERS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 2012**

**Note 3 - Profit Sharing Plan**

The Company is a sponsor of a defined contribution profit sharing plan for its eligible employees. Contributions to the plan, if any, are determined by the employer and come out of its current accumulated profits. The employer's contribution for any fiscal year shall not exceed the maximum allowable as a deduction to the employer under the provisions of the IRS Code Section 404, as amended, or replaced from time to time.

The Company's liability to the plan for the year ended December 31, 2012, was \$110,641.

**Note 4- Property, Equipment and Leasehold Improvements**

Major classifications of property and equipment, as of December 31, 2012, are summarized as follows:

Furniture and equipment	<u>\$ 57,812</u>
	57,812
Less: Accumulated depreciation	<u>47,555</u>
	10,257
Artwork carried at cost, and, not depreciated	<u>10,460</u>
	<u>\$ 20,717</u>

**Note 5- Commitments and Contingencies**

***Office Lease***

The Company leases office space pursuant to a lease agreement expiring February 28, 2015. Rental payments plus escalation for real estate taxes, are payable monthly. The Company's minimum rental commitments over the next three years are as follows:

<u>Year</u>	<u>Amount</u>
2013	\$117,395
2014	\$117,395
2015	\$ 19,564

**Note 6 - Net Capital Requirement**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 1500%. At December 31, 2012, the Company had net capital of \$1,102,283 which was \$1,085,789 in excess of its required net capital of \$16,499. The Company's net capital ratio was 22.45%.

A copy of the Firm's Statement of Financial Condition as of December 31, 2012, pursuant to SEC Rule 17a-5, is available for examination at the Firm's office and at the regional office of the SEC.



# LERNER & SIPKIN

CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

E-mail: LS@lernerpsipkin.com

## INDEPENDENT AUDITORS' REPORT

To the Stockholders of  
Cambridge International Partners Inc.  
780 Third Avenue – 7<sup>th</sup> Floor  
New York, NY 10017

### **Report on the Financial Statements**

We have audited the accompanying statement of financial condition of Cambridge International Partners Inc., (the Company) as of December 31, 2012.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of financial condition that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the statement of financial condition based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement of financial condition, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statement of financial condition in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement of financial condition.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Cambridge International Partners Inc., as of December 31, 2012 in accordance with accounting principles generally accepted in the United States of America.

*Lerner & Sipkin*  
Lerner & Sipkin, CPAs, LLP  
Certified Public Accountants (NY)

New York, NY  
February 15, 2013